


RENT REVIEW 2021/2022

HOW WE CALCULATE YOUR RENT



Each year we carry out a rent review to determine rent levels for the following year. This is based on how much income we think we will need to provide services for that year. This leaflet will provide you with information about this year's rent review process and our proposal for a rent increase for 2021-22.

All feedback will be considered by the board and any increase would be effective from 1 April 2021.

Inflation is currently predicted to be 1.5% in 2021. Right now, inflation is low but experts predict that the impact of Brexit, the Bank of England's inflation target of 2%, and the impact of Covid-19 will result in it increasing.

We are aware of the negative impact that Covid-19 has had on many of our tenants. Therefore, we are proposing three options and the details of each of those can be found in this leaflet.

Please review the options for next year's rent and leave us your comments using the feedback slip on page 4.

WHY A RENT INCREASE?

When we carry out a rent review, we try to strike a balance between two key factors:

- 1 The Association needs income in order to deliver the services it provides to a satisfactory standard. The costs of providing these services are subject to inflation. This means that year on year our contractors may apply an inflationary increase to the services that we purchase from them (e.g. repairs). The impact of Brexit is also expected to increase costs for housing providers.
- 2 We have a duty to all of our tenants to keep rents affordable, supporting our tenants to stay in their homes as long as they choose.



WHAT EACH **£1** OF YOUR RENT WILL PAY FOR IN 2021/22...

Management &
Administration **30p**



Loan repayments &
Interest payable **8p**



Repairs & Improvements **45p**

This is broken down as follows:

Repairs – 19p

Boiler replacements – 5p

Property improvements – 21p



Building
new homes **17p**



WHAT WILL AN INCREASE MEAN FOR YOU?

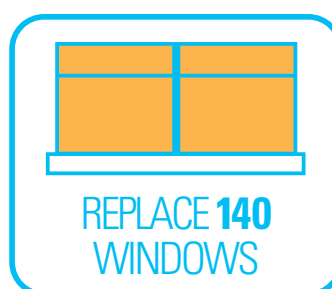
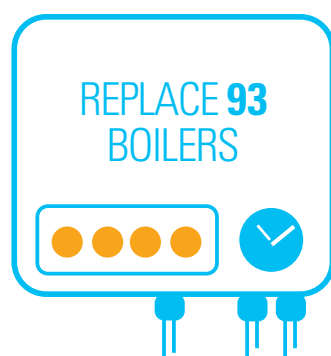
Below we have outlined some examples of average rents and what they would become next year if a 1% increase is agreed upon. Remember, rents vary according to amenities and service charges so your rent may differ from the figure below for a similar property.

EXAMPLE...	2020/21	2021/22
1 Bedroom Flat (Common Entry)	£299.27	£302.29
2 Bedroom Flat (Common Entry)	£309.32	£312.44
1 Bedroom Flat (Private Entry)	£339.60	£343.03
2 Bedroom Terraced House	£313.61	£316.78
3 Bedroom Terraced House	£405.86	£409.96
4 Bedroom Terraced House	£443.98	£448.46

An increase of 1% will mean that for every £1 in rent you are charged, you will pay an extra penny. For example, for a tenant currently paying a net rent of £300.00, a 1% increase will mean that the tenant will pay an extra £3 per month from 1 April 2021. Any service charges that might apply to your property have been excluded in this calculation and will be added to your net rent.

Almond Housing Association is committed to continually improving your homes. With a 1% increase, we plan to complete the following upgrades in the coming year.

IN 2021/22 WE AIM TO:



SHARE YOUR VIEWS WITH US

As our tenant, your opinion is very important and we encourage you to return the feedback slip using the prepaid envelope provided, or by emailing us before **24 December 2020**.

We check your rent for affordability by considering the average income and rent levels for West Lothian. However, our calculation tool cannot take into account every single one of our 2500 tenants' circumstances.

If you feel that the proposed rent increase will create difficulties for you, please tell us in the box below. We have access to a number of advice services which can help if you are struggling.



TELL US WHAT YOU THINK

We are asking tenants which of their preferred options our Board should take into consideration when setting next year's rent:

- Inflation minus 0.5% = 1%** This will allow current service standards to be maintained and delivery of our maintenance programme as outlined in our Business Plan. This means that rent would increase by 1 penny for every pound in rent paid. This relates to the rent you currently pay, not including service charges such as stair cleaning.
- Inflation only = 1.5%** This will allow current service standards to be maintained (as outlined in option 1) PLUS enable us to carry out further work such as bring forward planned kitchen installations to an extra dozen to tenants' homes each year.
- Inflation plus 0.5% = 2%** This will allow current service standards to be maintained (as outlined in option 1) PLUS enable us carry out further work such as bring forward planned kitchen installations to an extra two dozen to tenants' homes each year.

Please cut off this slip and return your comments to us **before 24 December**.

You can also phone us on **01506 439 291** or email us at: enquiries@almondha.org.uk

Alternatively, complete our online survey. Find the link on our website www.almondha.org.uk

If you have any questions, do not hesitate to get in touch with us.

Name: _____

Address: _____

Postcode: _____

Comments: _____

